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DEPARTMENT OF THE INTERIOR

Fish and Wildlife Service

[FWS-R7-R-2012-N233]

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Kenai National Wildlife Refuge, Soldotna, Alaska; Draft Environmental Impact Statement for the Shadura Natural Gas Development Project

AGENCY: Fish and Wildlife Service, Interior.

ACTION: Notice of availability.

SUMMARY: We, the U.S. Fish and Wildlife Service (Service), announce that the Draft Environmental Impact Statement (EIS) for the Shadura Natural Gas Development Project is available for public review and comment. The EIS was prepared pursuant to the Alaska National Interest Lands Conservation Act of 1980 (ANILCA); the National Wildlife Refuge System Administration Act of 1966 (Refuge Administration Act), as amended by the National Wildlife Refuge System Improvement Act of 1997 (Refuge Improvement Act); and the National Environmental Policy Act of 1969 (NEPA). It describes five alternatives for accessing the

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subsurface natural gas estate owned by Cook Inlet Region, Inc. (CIRI), and provides analysis of the effects of those alternatives. The Service does not have a preferred alternative.

DATES: Please provide any written comments or information on the EIS by [INSERT DATE 60 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER]

ADDRESSES: Additional information concerning the Project can be found at http://alaska.fws.gov/nwr/planning/nepa.htm.

Additional information concerning the Refuge may be found at http://www.fws.gov/refuges/profiles/index.cfm?id=74525.

Send your comments or requests for information by any one of the following methods:

- Email: fw7_kenai_planning@fws.gov;
- Fax: Attn: Peter Wikoff, (907) 786-3976;
 - U.S. Mail: Peter Wikoff, Natural Resource Planner, U.S. Fish and Wildlife Service, 1011 East Tudor Rd., MS-231, Anchorage, AK 99503

FOR FURTHER INFORMATION, CONTACT: Peter Wikoff, Natural Resource Planner, U.S. Fish and Wildlife Service, at (907) 786-3357, or at the address above.

SUPPLEMENTARY INFORMATION: We have received an application for, and have prepared a draft environmental impact statement (EIS) for, a proposed right-of-way within the Refuge. The right-of-way would be in compliance with the Alaska National Interests Lands Conservation Act (ANILCA) Section 1110(b) regarding access to inholdings, for the

construction and operation of facilities associated with the exploration and production of natural gas from the subsurface estate within the Refuge. The United States owns the surface estate which is managed by the Service as part of the Kenai Refuge, and Cook Inlet Region, Inc. (CIRI), owns the subsurface estate of coal, oil, and gas in the project area. The Project would be in the northwestern portion of the Kenai Peninsula, approximately 4 miles southeast of the end of the road in Captain Cook State Recreation Area. The application is being made by NordAq Energy, Inc., the holder of the lease from CIRI for the area.

The EIS describes and evaluates a range of reasonable alternatives and the anticipated impacts of each. We are publishing this notice in compliance with the NEPA regulations (40 CFR 1501.7) to advise other agencies and the public that the EIS is available for public review and comment.

Alternatives Considered

Alternative 1 – No Action

The No Action alternative is required by the NEPA to present the current situation for comparison with the other alternatives.

Action Alternatives (Alternatives 2–5)

Under any of the action alternatives (alternatives 2–5), the Shadura Natural Gas

Development Project would be constructed, operated, maintained, decommissioned, and
reclaimed. During the first stage of the project, a gravel road, gravel storage yards, and a
minimal drilling/processing pad would be constructed. Then one natural gas well would be
drilled and tested. If the results of this testing were unfavorable, all equipment and gravel would

be removed and the affected areas would be restored to approximate preconstruction conditions.

If the results of testing were favorable, the second stage would be constructed.

The second stage of construction would involve expanding the drilling/processing pad to its final size and configuration; drilling five additional natural gas wells, an industrial water well, and a Class II disposal well; and constructing production facilities.

Once constructed, the Project would operate for about 30 years. At the end of the Project's useful life, it would be decommissioned and the impacted areas reclaimed.

Alternative 2—Applicant's Proposed Action:

The access road would extend from the North Kenai Spur Highway along the west and south sides of Salmo Lake to a drilling/processing pad. That portion of the access road outside the Refuge has already been permitted by the State of Alaska as part of another project.

The access road would be 4.3 miles long, about 2.7 miles of which would be on the Kenai NWR. The remaining 1.6 miles are on State and other lands. Of that portion on the Kenai NWR, about 1.7 miles of the road would be constructed in upland areas and about 1 mile would be in wetlands. The metering pad, gathering lines, and communication cable would be located parallel to the access road.

Alternative 3—Natural Gas Development with Northern Access:

Under this alternative, the access road would be constructed around the north and east sides of Salmo Lake. The access road would be 4.6 miles long, of which 2.2 miles would be constructed on State and other lands, and 2.4 miles would be on the Kenai NWR. About 3.7 miles would be in upland areas and about 0.9 mile would be in wetlands. The North Kenai Spur

Highway would provide primary access to the project area. The metering pad, gathering lines, and communication cable would be located parallel to the access road.

Alternative 4—Natural Gas Development with Eastern Access:

Under this alternative, the access road would be constructed from the east. The access road would be 3.3 miles long—all on the Kenai NWR. About 2.7 miles would be constructed in upland areas and about 0.5 mile would be in wetlands.

The metering pad, gathering lines, and communication cable would not follow the access road but be constructed in the same locations as for Alternative 2. They would be installed cross-country between the drilling/processing pad and the previously permitted road on State lands. The segment between the Kenai NWR boundary and metering pad would follow this previously permitted road. The North Kenai Spur Highway would provide primary access to the metering pad.

Alternative 5—Natural Gas Development with Southern Access:

Under this alternative, an access road would be constructed from the southeast. The access road would be 5.5 miles long—all on the Kenai NWR. About 5.3 miles would be constructed in upland areas and about 0.2 mile would be in wetlands.

The metering pad, gathering lines, and communication cable would be constructed in the same locations as for Alternatives 2 and 4. They would be installed cross-country between the drilling/processing pad and the previously permitted road on State lands. The segment between the Kenai NWR boundary and metering pad would follow this previously permitted road. The North Kenai Spur Highway would provide primary access to the metering pad.

Public Input

Special mailings, newspaper advertisements, and other media announcements will inform the public of opportunities to provide written input throughout the planning process. The EIS and information pertaining to the right-of-way application for the project are available for viewing and downloading at http://alaska.fws.gov/nwr/planning/nepa.htm.

Refuge Information

The Refuge covers approximately 2 million acres on the Kenai Peninsula in south-central Alaska. It is readily accessible by road from the city of Anchorage, which is home to 41.5 percent of Alaska's population. The Refuge consists of the western slopes of the Kenai Mountains and forested lowlands bordering Cook Inlet. The Kenai Mountains, with their glaciers, rise to more than 6,500 feet. Treeless alpine and subalpine habitats are home to mountain goats, Dall sheep, caribou, wolverine, marmots, and ptarmigan. Boreal forests extend from sea level to 1,800 feet and are composed of spruce and birch forests, which on the Refuge are intermingled with hundreds of lakes. Boreal forests are home to moose, wolves, black and brown bears, lynx, snowshoe hares, and numerous species of Neotropical birds, such as olivesided flycatchers, myrtle warblers, and ruby crowned kinglets. At sea level, the Refuge encompasses the last remaining pristine major saltwater estuary on the Kenai Peninsula, the Chickaloon River Flats. The Flats provide a major migratory staging area and nesting habitat for shorebirds and waterfowl throughout the spring, summer, and fall. The Flats are also used as a haul-out area by harbor seals. Thousands of salmon migrate up the Chickaloon River system each year to spawn.

While the United States owns the land surface within the Refuge, portions of the subsurface estate are owned by CIRI. CIRI is an Alaska Native regional corporation established under the Alaska Native Claims Settlement Act of 1971 (ANCSA; 43 U.S.C. 1601 et seq.). CIRI received the subsurface oil, gas, and coal estate to nearly 200,000 acres within the Refuge as part of its ANCSA entitlement. The State of Alaska also owns lands adjacent to the Refuge (Captain Cook State Recreation Area). ANILCA Section 1110(b) requires that the Service provide adequate and feasible access to the CIRI-owned subsurface estate. CIRI has previously leased other portions of its subsurface estate within the Refuge. Oil and gas are currently being produced from other production units within the Refuge.

The ANILCA (Section 303[4]) established the Refuge from the Kenai Moose Range and other lands, and set forth the following major purposes for which the Refuge was to be managed:

- (i) To conserve fish and wildlife populations and habitats in their natural diversity, including, but not limited to, moose, bear, mountain goats, Dall sheep, wolves, and other furbearers; salmonoids and other fish; waterfowl and other migratory and non-migratory birds;
- (ii) To fulfill the international treaty obligations of the United States with respect to fish and wildlife and their habitats;
- (iii) To ensure, to the maximum extent practicable and in a manner consistent with the purposes set forth in paragraph (i), water quality and necessary water quantity within the Refuge;
- (iv) To provide in a manner consistent with subparagraphs (i) and (ii), opportunities for scientific research, interpretation, environmental education, and land management training; and
- (v) To provide, in a manner compatible with these purposes, opportunities for fish and wildlife-oriented recreation.

Public Availability of Comments

Before including your address, phone number, e-mail address, or other personal identifying information in your comment, you should be aware that your entire comment—including your personal identifying information—may be made publicly available at any time.

While you can ask us to withhold it from public view, we cannot guarantee we will be able to do so.

E. Laverne Smith

December 17, 2012

Date

E. LaVerne Smith Acting Regional Director U.S. Fish and Wildlife Service Anchorage, Alaska

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